



## Quotes

*"The legislature would not have conferred statutory preferential status upon BCBSM if it had intended to authorize BCBSM to engage in commercial insurance."*

**Attorney General Frank Kelley**, AG Opinion 5761 adopting the Supreme Court's description of BCBSM's purpose, August 21, 1980.

*"...excessive reserves are inappropriate. Reserves are funded by, and belong to, subscribers. Higher reserves mean higher premiums, which may not be justified."*

**State Representative David Hollister**, Journal of Law Reform, 1980.

*"Redlining in the insurance industry is a discriminatory practice in which insurance companies restrict the availability of insurance to people in particular geographic areas."*

**Attorney General Jennifer Granholm**, May 16, 2002.

*"The Michigan Legislature created a charitable trust for the benefit of Michigan's citizens."*

**Attorney General Jennifer M. Granholm**, OAG No. 7115, July 30, 2002.

*"Another avenue to effectively turn BCBSM into a for-profit company would be the creation or acquisition of a subsidiary for-profit insurer. BCBSM currently has five subsidiary corporations; two PPOM and Accidental Fund Company, are for-profit. The net effect could be the transfer of many or all of the company's assets to this new for-profit entity, leaving the current BCBSM as nothing more than a shell and effectively creating a new company within the for-profit subsidiary. This scenario is more than idle speculation as this approach recently was pursued by Blues plans in Pennsylvania, Washington, Wisconsin, Utah, Oregon, and Idaho."*

**Insurance Commissioner Frank Fitzgerald**, Michigan Health Law Report, Fall 2002.

*"BCBSM is a unique creation. It is a non-profit, tax-exempt 'charitable and benevolent institution', incorporated pursuant to special enabling legislation enacted by the Michigan Legislature in 1939, for the purpose of providing a mechanism for broad health care protection to the people of the State of Michigan."*

**Michigan Supreme Court**, *BCBSM v Ins Commissioner*, 403 Mich 399; 270 NW2d 845 (1978).